

EARNINGS, FERROVIAL, TRAFFIC

January-September 2019: solid results of the main assets

Ferrovial reports EBITDA of €33 million

- Revenues totaled €4,292 million. EBITDA impacted by the Construction provision in the first quarter, and Services division reclassified as being “available for sale”.
- Principal assets maintained their robust performance: EBITDA increased at 407 ETR (+8.4%), Heathrow Airport (+6.3%) and Texan toll roads NTE (+40.5%) and LBJ (+25.2%), in local currency terms in all cases.
- Traffic continued to perform well: NTE (+18%), LBJ (+8.0%), Ausol I (+5.2%), Heathrow (+0.7%) and 407 ETR in the quarter (+1.5%).
- 407 ETR distributed CAD 750 million, Heathrow GBP 300 million and AGS GBP 30 million, of which the company collected €222, €86 and €17 million, respectively.

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Madrid, 30/10/2019. - Ferrovial, the global infrastructure operator, obtained €-104 million in net profit in the first nine months of 2019, compared with the €59 million registered over the same period last year. EBITDA was €33 million. These results were impacted by the change in consolidation scope as the Services division has been reclassified as "available for sale", and also by the provision in the Construction division in the first quarter.

The company's main infrastructure assets continued to perform well, including notably the managed lanes projects in Texas, which registered growth in traffic, revenues and EBITDA. Revenues in the period amounted to €4,292 million, 83% of which was obtained outside Spain.

Ferrovial collected €365 million in dividends from the assets in which it holds a stake: 407 ETR distributed CAD 750 million, Heathrow GBP 300 million and AGS GBP 30 million, of which the company collected €222, €86 and €17 million, respectively. Dividends from the toll road increased by 9.3% in the period. The Board of Directors of the Canadian asset declared a dividend of CAD 300 million in the fourth quarter, i.e. 28% more than in the same period of 2018.

Net cash, excluding Infrastructure projects but including the Services division, amounted to €662 million at the end of the quarter. Consolidated net debt amounted to €3,894 million.

The Construction backlog stood at €11,365 million, 88% of which is outside Spain. Over €800 million in international construction projects have yet to be included in that figure pending of financial closure.

In the first nine months, Cintra reached an agreement to sell 65% of the Ausol concession company to Meridian infrastructure fund for €447 million. Cintra will retain a 15% stake in the concessionaire. This deal will provide €474 million in capital gains that are not accounted for in these results. It also completed the sale of 11.75% of Ruta del Cacao to John Laing for €28.6 million. Cintra will retain a 30% stake in the asset.

Traffic growth and robust performance by the main assets

Toll road and airport traffic continued to increase in Europe and America, supported by economic performance in those regions: NTE (+18%), LBJ (+8.0%), Ausol I (+5.2%) and Heathrow (+0.7%).

Traffic on 407 ETR increased by 1.5% in the quarter, while revenues rose by 8.9% to CAD 1,126 million, and EBITDA was up 8.4% to CAD 984 million.

The managed lanes projects in Texas continued to increase their contribution to revenues and EBITDA. NTE reported USD 113 million in revenues (+36.3%) and USD 98 million in EBITDA, a 40.5% increase year-on-year. Meanwhile, LBJ reported USD 94 million in EBITDA, a 25.2% increase year-on-year, on 23.1% growth in revenues to USD 113 million.

In the first quarters after it came into service, NTE 35W saw growth in traffic to regain pre-construction levels in both traffic numbers and the proportion of users choosing the managed lanes. During the summer, Cintra reached closure on the NTE 3C project. With an investment of €813 million, the concession will run until 2061.

Traffic at Heathrow Airport reached 61 million passengers, another record, resulting in GBP 2,302 million in revenues (+4.1%) and GBP 1,459 million in EBITDA (+6.3%).

Business units

Traffic increased on most of the company's **Toll Roads**, as the general improvement stabilized. Revenues amounted to €461 million (+31.8%), with a higher contribution from the managed lanes in Texas, and EBITDA expanded by a robust 40.6% to €332 million. Traffic continued to increase on Ausol I (+5.2%) and Ausol II (+3.4%) despite the poor weather conditions in September. The north section of the I-77 in North Carolina opened to traffic; 60% of the project is now open and the remainder will be opened by year-end.

In the **Airports** division, HAH attained record passenger numbers, and average spending per passenger was up 2.3%. The AGS regional airports increased revenues by 2.9% despite a decline in passenger numbers.

Construction revenues totaled €3,760 million, 5.1% less than in the same period of 2018; revenues were concentrated in the United States and Poland. Budimex (revenues -2%) contributed 33% of revenues, while the US contributed 29%. The backlog amounted to over €11,365 million. The division's EBITDA was affected by a €345 million provision for potential losses on certain projects due to increased costs of outsourced services and raw materials and the longer time being taken to approve the design phase.

Assets available for sale:

Services reported €5,247 million in revenues (+8.4% in like-for-like terms), with EBITDA of €227 million (-3.2% excl. Birmingham). Spain performed positively, with revenues up 3.1% in like-for-like terms leading to 5.3% growth in EBITDA. Revenues in the United Kingdom increased by 14.7%, with EBITDA amounting to €11 million. International revenues, from such countries as the US, Poland, Chile and Portugal, amounted to €424 million, an increase of 34.1% in like-for-like terms. Broadspectrum, the Australian subsidiary, reported €1,238 million in revenues in the period.

About Ferrovial

Ferrovial, a leading global operator of infrastructure, is committed to developing sustainable solutions. The company has 96,000 employees and operates in over 20 countries. Its main business areas are: Services, Toll Roads, Construction and Airports. It is a member of Spain's blue-chip IBEX 35 index and is also included in the Dow Jones Sustainability Index and FTSE4Good; all its operations are conducted in compliance with the principles of the UN Global Compact, which the company adopted in 2002.

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KEY FIGURES

(million euro)

	Sept. 2019	Sept. 2018	Change
Revenues	4,292	4,300	-0.2%
EBITDA	33	--	n.m.
EBIT	-117	235	n.m.
Net income	-104	59	n.m.

	Sept. 2019	Dec. 2018	Change
Project net debt	-4,556	-4,885	
Net cash position, excluding infrastructure projects	662	1,236	
Construction backlog	11,365	10,965	3.6%
Services backlog	17,412	19,411	-10.2%